OFFICIAL

84-15

3 SOUTH MAIN STREET
WATERBURY, VERMONT 05676
802, 241-3530

STATE OF VERMONT
AGENCY OF HUMAN SERVICES
DIVISION OF RATE SETTING

Kent Stoneman

FROM: Kent Stoneman, Director
For the Secretary

SUBJECT: FY 1985 Medicaid Payments to Nursing Homes

Reference: Rule No. 82-22

This memorandum transmits final proposed changes to the rule referenced above, which the Division will use to establish prospective payment rates paid to nursing homes for Medicaid recipients. The changes were proposed on March 30, 1984 and a public hearing was held on May 1 in Waterbury. 24 persons attended the hearing and three testified. Written and oral comment was accepted through and beyond the published date of May 8, 1984.

The primary purpose of the change was to apply the same inflation factor increase to all facilities, but (1) to apply the inflation factor only to rate components subject to inflationary pressures (excluding property and return on equity components), and (2) to limit the inflated rate components, termed "operations per diems," in excess of an acceptable variation among facilities. The inflation factor for 1985 was also specified.

Issues Addressed:

1. Inflation factor. Commenters focused on the 4.4% specified for 1985, urging a factor in the 5.3 - 6.6% range. Supporting arguments included references to labor intensity in the nursing home industry, increasing inflationary pressures, and reliance on projections specific to skilled care facilities.

   Response: We have considered all submissions, re-examined data we used, including historic projected and actual inflation and general economic indicators available at the time, and reviewed the latest available information. We do not agree with reliance solely on health care projections (typically greater than indicators such as the CPI), but agree that they should be considered. We concede the labor intensity of nursing homes. Although actual inflation was less than projected in previous years, most indications are that an increase will occur in the next rate year. Based on these conclusions and taking into account both general and health care specific projections, we have increased the inflation factor to 5.1%, which we believe is a more realistic projection for Vermont facilities than the higher factor suggested.

2. Application of inflation factor to operations components of per diem rates and not to property and return on equity components. No objection was made to this change. Commentors proposed reimbursement of property costs on a "dollar for dollar" basis, with an inflation factor "additur" for any lag in reimbursement resulting from use of prior year data, and cited as a major concern necessary changes in mortgage refinancing, and increasing insistence of lenders on adjustable rates.

F4-15

Response: Return to the dollar-for-dollar cost reimbursement of the past and its excessive increases is not consistent with current law and policy. Neither is it fiscally prudent or necessary for economic and efficient operations. We have re-examined data and assumptions we used to develop the proposed change. We conclude that the amended rule provides for necessary compensation to efficiently and economically operated facilities, with one exception: that being significant changes in interest rates because of required mortgage refinancing and variable interest rates.

We have therefore amended section 403 of this rule to provide for upward or downward adjustment of the prospective rate, depending upon whether financing terms result in interest increases or decreases.

3. Limit on the operations per diem part of rates at the ninetieth percentile (after application of the inflation factor). This portion of the rate covers variable costs, and the limit is intended to bring the excessive variations of the highest cost facilities into a more reasonable and acceptable range. It follows up on advice to the most expensive facilities over the last two years that their costs were not reasonable and would have to be brought more into line with other facilities.

A spokesman for the nursing home association and other facilities opposed the 90th, or any other percentile or similar limit, submitting that such a limit is merely a money-saving device, assumes identical operating costs for efficient facilities, and has no rational basis. Concern was voiced that a lower percentile might be used in the future. Speakers for the two facilities most affected by the proposal gave some reasons for their high costs, but without justifying them as necessary or characteristic of efficiently and economically operated facilities.

Response: The Division's clear legal responsibility is to set rates that are adequate to meet necessary costs of economically and efficiently operated facilities but do not result in excessive payments. Limits are necessary, in Medicaid or any other program. There is no obligation to ignore budget constraints, but the proposed limit was not designed simply to save money. It is rather one way of ensuring reasonable comparability in payments for comparable services. As indicated below, the proposed limit does not assume identical costs at peak efficiency and indeed has a factual basis, contrary to comments made.

Although there is no fixed formula for defining an efficiently and economically operated facility (the same legal standard for nursing home payment in all states), the manager of such a facility will strive to be competititve (i.e., not more expensive) by approximating the costs of other facilities. We have proposed to limit only the operations part of the rates, leaving in place the wide variations in payments for fixed property costs. As providers argued in connection with the inflation factor, these variable costs are largely labor, which is very sensitive to managerial skill and effectiveness.

Because of differences in facilities such as size, location, level of care licensing, and physical layout, some variation is expected, and provided. The proposed 90th percentile allows a variation more than one-third above the average operations per diem for Vermont nursing homes. Not a single free-standing facility is limited, either profit-making or not for profit. Facilities of every size, and range of age, location, patient mix, and other characteristics would be excluded from the limit. Only four would be affected: all hospital based or controlled. The hospital related facilities have historically had both higher costs and greater rates of increase than other nursing homes. Our analyses show that the high costs result from more than hospital overhead allocations under Medicare accounting often cited. They in fact reflect higher wages, benefits and staffing patterns, and greater administrative and support costs than other nursing homes.

Percentile limits are not the only reasonable bases for controlling excessive differences in costs and payments. They are, however, commonly used in the various state systems governing Medicaid payment to nursing homes.

For reasons indicated above, and based on our data, we conclude that the 90th percentile limit on the non-capital part of the rates is warranted and justified.

Representatives of the two facilities most limited by the proposal have proposed that their current rates be neither increased nor decreased for the next year, allowing more time to see if cost-payment gaps can be closed. Although less than desired progress has been made in the last two rate years, we conclude that this is a reasonable request, and have so amended the proposed change.

Summary of changes to the original proposal:

1. The inflation factor for FY 1985 has been increased from 4.4 to 5.1 percent.

2. Section 403 of the Rule has been amended to allow adjustment of a prospective rate in the event of necessary significant changes in mortgage interest costs.

3. Section 401 D. of the Rule has been changed so that the operations per diem part of a facility's rate will not be reduced in FY85 below the 1984 level.

James H. Douglas
Secretary of State

Paul S. Gillies
Deputy Secretary of State

OFFICIAL

Main Office: (802) 828-2363
Corporations & Records: (802) 828-2386
Professional Licensing & Registration: (802) 828-2363
State Papers: (802) 828-2363

84-15

Official Rules filing

RECEIVED
DIVISION OF RATE SETTING

STATE OF VERMONT
OFFICE OF THE SECRETARY OF STATE
109 State Street
Montpelier, Vermont 05602

JUN 29 1984

June 18, 1984

TO: Kent Stoneman, Director
Division of Rate Setting
c/o Agency of Human Services

We have received the adopted rule: NURSING HOME RATE SETTING

* It is in proper form. We have assigned it 84-A25.

The following problems were taken care of by phone/

Should be taken care of immediately:

We can't accept this for filing until the following problems are taken care of:

* This rule will take effect on: JULY 1, 1984.

Only lines with asterisk apply. If you have questions, please call me at 828-2464 or 1-800-642-5155.

Cordially,

Carol A. Holmes
APA Administrator
Office of the Secretary of State

cc/Bill Russel
Legislative Council
File

EXPLANATION FOR CITIZENS

By law, every proposed regulation must be published for two successive weeks in newspapers of record approved by the Secretary of State. The first week's publication includes a concise summary of the proposed rule, as well as a brief summary of its effect on Vermonters. The second ad is briefer, listing only the title and subject of the rule, the agency and the agency contact.

The purpose of publishing these regulations is to give you a chance to re[illegible] orally or in writing. The law also says the agency must hold a p[illegible] hearing on a proposed regulation if 25 persons or an association ha[illegible] at least 25 members requests it in writing.

To get a copy of a rule or make suggestions to the agency, call or write to the contact person listed below for each regulation. You can also make comments to the Legislative Committee which reviews regulations by contacting the Legislative Committee on Administrative Rules, State House, Montpelier, VT 05602 (telephone: 828-2231).

FOOD STAMP MONTHLY REPORTING AND RETROSPECTIVE BUDGETING

Vermont Proposed Rule #84-P15

AGENCY: Human Services — Department of Social Welfare

FOR FURTHER INFORMATION CONTACT: Ed Pirie, Program Consultant, Dept. of Social Welfare, 103 S. Main St., Waterbury, VT 05676; Phone 241-2809.

FOSTER HOME REGULATION

Vermont Proposed Rule #84-P16

AGENCY: Human Services — Department of Social and Rehabilitation Services

FOR FURTHER INFORMATION CONTACT: Jackie Kotkin, Chief of Foster Care Licensing Unit, 103 S. Main St., Waterbury, VT 05676; Phone: 241-[illegible]9.

EMERGENCY RULE

AVIAN INFLUENZA IMPORT PROHIBITION

[illegible]nt Proposed Rule #84-E-2

AG[illegible]CY: Agriculture

FOR FURTHER INFORMATION CONTACT: Dr. David Walker, Dept. of Agriculture, 116 State St., Montpelier, VT 05602; Phone: 828-2421.

FOOD STAMP SHELTER INSURANCE

Vermont Proposed Rule #84-P17

AGENCY: Human Services — Department of Social Welfare

AGENCY'S REFERENCE NUMBER: 84-15P

CONCISE SUMMARY: The item of shelter insurance (insurance on the structure) is removed from the Fuel and Utility Standard. Those who actually incur such a cost will be allowed to claim the actual expense as a shelter cost. Those who do not incur such a cost will not have a actual expense to offset the reduction in the standard and their calculated shelter cost will be reduced by the amount that had been included in the standard.

TYPES OF PERSONS AFFECTED: Food Stamp recipients, elderly or disabled food stamp recipients; Dept. of Social Welfare.

COST-BENEFIT ANALYSIS: The removal of shelter insurance from the Fuel and Utility Standard will mean an estimated annual decrease of $15[illegible] in Food Stamps to be distributed over 3,300 households with elderly or disabled recipients that do not have an expense for shelter insurance.

SCHEDULED HEARING: April 30, 1984, 1:30 p.m.; Chittick Auditorium, Vermont State Hospital, Waterbury.

DEADLINE FOR COMMENTS: May 7, 1984.

FURTHER INFORMATION CONTACT: Ed Pirie, Program Con[illegible] Dept. of Social Welfare, 103 So. Main St., Waterbury, VT 05676; Phone 241-2809.

ANFC BASIC NEED REGULATIONS

84-15

Vermont Proposed Rule #[illegible]18

OFFICIAL

AGENCY: Human Services — Department of Social Welfare

AGENCY'S REFERENCE NUMBER: 84-22P

CONCISE SUMMARY: Basic need and shelter standards for ANFC have been increased to reflect the increase in the cost-of-living from 4-32-12[illegible] In order to equitably distribute funds appropriated by the Legislature, sufficient to pay 100% of need, the payments will be at 65.5% of the need standard. The Medicaid Protected Income Level, the ANFC room and board standards of eligibility, the amount of business expenses allowed for meals for child care in ANFC and Medicaid, are among the standards updated.

A special needs allowance has been added to the ANFC payment standard to implement the Single Parent Opportunity Program (SPOP). [illegible] to enable ANFC recipients with children under the age of six who are [illegible] mandatory WIN registrants and who have barriers to employment become more employable, and to cover items such as education and training fees, and other expenses necessary to complete each individual employability plan.

TYPES OF PERSONS AFFECTED: ANFC and Medicaid recipients and Dept. of Social Welfare.

COST-BENEFIT ANALYSIS: ANFC recipients will receive an average grant increase of $15.78 x average caseload estimate of 8,136 = an increase of $128,386 per month or $41,540,632 per year. The cost will be t[illegible] amount plus a start-up cost of $2,500 for a total cost of $1,543,132 (inclu[illegible] State and Federal funds).

The Single Parent Opportunity Program will cost approximately $1,[illegible] per recipient based on an average of 400 recipients. An estimated 600 [illegible] participate annually at a total of $600,000 Federal and State funds. T[illegible] State share will be 30.63%.

Total annual cost of both of the above changes will be $2,143,132.

SCHEDULED HEARING: April 30, 1984; 2:00 p.m.; Chittick Auditoriu[illegible] Vermont State Hospital, Waterbury.

DEADLINE FOR COMMENTS: May 7, 1984.

FOR FURTHER INFORMATION CONTACT: H. Kenaston Twitch[illegible] Program Consultant, Dept. of Social Welfare, 103 So. Main Street, Waterbury, VT 05676; Phone: 241-2805.

NURSING HOME RATE SETTING

Vermont Proposed Rule #84-P19

AGENCY: Human Services — Nursing Home Rate Setting Division

AGENCY'S REFERENCE NUMBER: 82-22

CONCISE SUMMARY: Amendments to Methods, Standards and Principles for Establishing Payment Rates; Skilled Nursing and Intermediate Care Facilities are: (1) specify the FY 85 inflation factor to used to calculate nursing home per diem rates, (2) exclude allowance for fixed property costs and return on equity from the rates in applying the inflation factor, (3) set a facility class limit on the resulting inflat[illegible] rate components, and (4) place Vermont Achievement Center in separate class.

TYPES OF PERSONS AFFECTED: Nursing homes providing services to Medicaid patients, Medicaid recipients in nursing homes, and Dept. [illegible] Social Welfare.

COST-BENEFIT ANALYSIS: This policy change specifies both the inflation factor and maximum limits applicable to nursing home prospective rates. In FY 1985, it is expected to increase expenditures by $1,000,000, which approximately $350,000 is General Fund. Ninety percent of nursing homes are expected to receive an increase of 4.4% to per diem rate components subject in inflation, and the four most expensive homes to receive reductions from the same rate components in effect on June 30, 1984 [illegible] maximum of $59.26. The change is not expected to affect Medicaid [illegible]tients.

SCHEDULED HEARING: May 1, 1984, 1:00 p.m.; Chittick Auditoriu[illegible] Vermont State Hospital Complex, Waterbury.

DEADLINE FOR COMMENTS: May 8, 1984.

FOR FURTHER INFORMATION CONTACT: Kent Stoneman, Direct[illegible] Nursing Home Rate Setting Division, 103 So. Main Street, Waterbu[illegible] Vermont 05676; Phone: 241-3530.

[illegible handwritten signature] 4/[illegible]

OFFICIAL

84-10

PROPOSED STATE REGULATIONS

EXPLANATION FOR CITIZENS

By law, every proposed regulation must be published for two successive weeks in newspapers of record approved by the Secretary of State. The first week's publication includes a concise summary of the proposed rule, as well as a brief summary of its effect on Vermonters. The second ad is briefer, listing only the title and subject of the rule, the agency and the agency contact.

The purpose of publishing these regulations is to give you a chance to respond, orally or in writing. The law also says the agency must hold a public hearing on a proposed regulation if 25 persons or an association having at lease 25 members requests it in writing.

To get a copy of a rule or make suggestions to the agency, call or write the contact person listed below for each regulation. You can also make comments to the Legislative Committee which reviews regulations by contacting the Legislative Committee on Administrative Rules, State House, Montpelier, VT 05602 (telephone: 828-2231).

FOOD STAMP MONTHLY REPORTING AND RETROSPECTIVE BUDGETING
Vermont Proposed Rule #84-P15
AGENCY: Human Services — Department of Social Welfare
FOR FURTHER INFORMATION CONTACT: Ed Pirie, Program Consultant, Dept. of Social Welfare, 103 S. Main St., Waterbury, VT 05676; Phone: 241-2809.

FOSTER HOME REGULATION
Vermont Proposed Rule #84-P16
AGENCY: Human Services — Department of Social and Rehabilitation Services
FOR FURTHER INFORMATION CONTACT: Jackie Kotkin, Chief of Foster Care Licensing Unit, 103 S. Main St., Waterbury, VT 05676; Phone: 241-2159.

EMERGENCY RULE
AVIAN INFLUENZA IMPORT PROHIBITION
Vermont Proposed Rule #84-E2
AGENCY: Agriculture
FOR FURTHER INFORMATION CONTACT: Dr. David Walker, Dept. of Agriculture, 116 State St., Montpelier, VT 05602; Phone: 828-2421.

FOOD STAMP SHELTER INSURANCE
Vermont Proposed Rule #84-P17
AGENCY: Human Services — Department of Social Welfare
AGENCY'S REFERENCE NUMBER: 84-15P
CONCISE SUMMARY: The item of shelter insurance (insurance on the structure) is removed from the Fuel and Utility Standard. Those who actually incur such a cost will be allowed to claim the actual expense as a shelter cost. Those who do not incur such a cost will not have an actual expense to offset the reduction in the standard and their calculated shelter costs will be reduced by the amount that had been included in the standard.
TYPES OF PERSONS AFFECTED: Food Stamp recipients, elderly or disabled food stamp recipients; Dept. of Social Welfare.
COST-BENEFIT ANALYSIS: The removal of shelter insurance from the Fuel and Utility Standard will mean an estimated annual decrease of $158,000 in Food Stamps to be distributed over 3,300 households with elderly or disabled recipients that do not have an expense for shelter insurance.
SCHEDULED HEARING: April 30, 1984, 1:30 p.m.; Chittick Auditorium, Vermont State Hospital, Waterbury.
DEADLINE FOR COMMENTS: May 7, 1984.
FOR FURTHER INFORMATION CONTACT: Ed Pirie, Program Consultant, Dept. of Social Welfare, 103 So. Main St., Waterbury, VT 05676; Phone: 241-2809.

ANFC BASIC NEED REGULATIONS
Vermont Proposed Rule #84-P18
AGENCY: Human Services — Department of Social Welfare
AGENCY'S REFERENCE NUMBER: 84-22P
CONCISE SUMMARY: Basic need and shelter standards for ANFC have been increased to reflect the increase in the cost-of-living from 4/82-12/83. In order to equitably distribute funds appropriated by the Legislature, insufficient to pay 100% of need, the payments will be at 65.5% of the need standard. The Medicaid Protected Income Level, the ANFC room and board standards of eligibility, the amount of business expenses allowed for meals for child care in ANFC and Medicaid, are among the standards updated.
A special needs allowance has beed added to the ANFC payment standard to implement the Single Parent Opportunity Program (SPOP). It is to enable ANFC recipients with children under the age of six who are non-mandatory WIN registrants and who have barriers to employment become more employable, and to cover items such as education and training fees, and other expenses necessary to complete each individual's employability plan.
TYPES OF PERSONS AFFECTED: ANFC and Medicaid recipients and Dept. of Social Welfare.
COST-BENEFIT ANALYSIS: ANFC recipients will receive an average grant increase of $15.78 x average caseload estimate of 8,136 = an increase of $128,386 per month or $41,540,632 per year. The cost will be this amount plus a start-up cost of $2,500 for a total cost of $1,543,132 (includes State and Federal funds).
The Single Parent Opportunity Program will cost approximately $1,500 per recipient based on an average of 400 recipients. An estimated 600 will participate annually at a total of $600,000 Federal and State funds. The state share will be 30.63%.
Total annual cost of both of the above changes will be $2,143,132.
SCHEDULED HEARING: April 30, 1984; 2:00 p.m.; Chittick Auditorium, Vermont State Hospital, Waterbury.
DEADLINE FOR COMMENTS: May 7, 1984.
FOR FURTHER INFORMATION CONTACT: H. Kenaston Twitchell, Program Consultant, Dept. of Social Welfare, 103 So. Main Street, Waterbury, VT 05676; Phone: 241-2805.

NURSING HOME RATE SETTING
Vermont Proposed Rule #84-P19
AGENCY: Human Services — Nursing Home Rate Setting Division
AGENCY'S REFERENCE NUMBER: 82-22
CONCISE SUMMARY: Amendments to Methods, Standards and Principles for Establishing Payment Rates; Skilled Nursing and Intermediate Care Facilities are: (1) specify the FY 85 inflation factory to be used to calculate nursing home per diem rates, (2) excludes allowances for fixed property costs and return on equity from the rates in applying the inflation factor, (3) set a facility class limit on the resulting inflated rate components, and (4) place Vermont Achievement Center in a separate class.
TYPES OF PERSONS AFFECTED: Nursing homes providing services to Medicaid patients, Medicaid recipients in nursing homes, and Dept. of Social Welfare.
COST-BENEFIT ANALYSIS: This policy change specifies both the inflation factor and maximum limits applicable to nursing home prospective rates. In FY 1975, it is expected to increase expenditures by $1,000,000, of which approximately $350,000 is General Fund. Ninety percent of nursing homes are expected to receive an increase of 4.4% to per diem rate components subject in inflation, and the most expensive homes to receive reductions from the same rate components in effect on June 30, 1984 to a maximum of $59.26. The change is not expected to affect Medicaid patients.
SCHEDULED HEARING: May 1, 1984, 1:00 p.m.; Chittick Auditorium, Vermont State Hospital Complex, Waterbury.
DEADLINE FOR COMMENTS: May 8, 1984.
FOR FURTHER INFORMATION CONTACT: Kent Stoneman, Director, Nursing Home Rate Setting Division, 103 So. Main Street, Waterbury, Vermont 05676; Phone: 241-3530.

~~April 12, 1984~~

Burlington Free Press 4/12/84 —

THE ASSURANCE STATEMENT AS REQUIRED BY 42 CFR 447.253

(SNF/ICF - EXCEPT ICF/MR)

In accordance with 42 CFR 447.252(a) and (b), and consistent with 447.253(g), the Vermont Medicaid Program, effective for services provided on or after July 1, 1986, will pay for long term care facility services in Skilled Nursing Facilities and Intermediate Care Facilities under the Methods, Standards and Principles for Establishing Payment Rates. Rates calculated under such Methods, Standards and Principles have been determined by the State to be reasonable and adequate to meet the cost incurred by efficiently and economically operated providers to provide services in conformity with applicable State and Federal laws, regulations, and quality and safety standards. The Vermont Agency finds that such payment meets the requirements of 42 CFR 447.253(b)(1)(i).

Allowable rates of reimbursement are determined by applying an inflation factor for the ensuing rate year to prospective rates (such prospective rates determined from base year audited allowable costs of each facility, determined in accordance with HIM-15 principles and methods). Such reasonable and adequate rates will continue to be increased each July 1 by an inflation factor sufficient to enable efficiently and economically operated facilities to provide care in conformity with applicable Federal and State requirements. The inflation factor for the rate period ending July 30, 1987 is 2.5 percent.

The State Agency provides for uniform cost reporting and periodic audits as specified in 42 CFR 447.253(d) and 447.253(e). All participating facilities must file an annual uniform cost report within 90 days after the end of their fiscal year. (See attachment A for the uniform cost report). Full scope on-site field audits of the financial and statistical records are conducted on at least 20 percent of the facilities each year.

OFFICIAL

The State has complied with the public notice requirements in 42 CFR 447.205 as specified in 42 CFR 447.253(f). A public announcement was published in the major daily newspapers on July 31 and August 7, 1986 advising all interested parties of a public hearing that was held on August 19, 1986 regarding the attached amendment to the Plan.

The public hearing was attended by 11 interested persons, including facility representatives and employees, and representatives of trade associations. No one presented oral testimony, and no written comments were received before or after the public hearing.

As specified in 42 CFR 447.253(c), the State Agency has provision for individual providers to submit additional evidence and receive prompt administrative review of payment rates and other final orders affecting payments. Beyond the specific appeal provisions of the payment Methods, Standards and Principles, individual providers have a further right of administrative appeal and hearing before an independent hearing officer under provisions of Title 33, Vermont Statutes Annotated.

In accordance with 42 CFR 447.253(b)(2), the State Agency has made a finding that the aggregate Medicaid payments can not reasonably be expected to exceed the amount that would be paid for the services utilizing the Medicare Principles of Reimbursement, adjusted for services not included in the State Plan, and for services in the Medicaid Program not included in the Medicare Program. Although not required by Federal regulations, the payment Methods, Standards and Principles continue to require that the Medicaid payment not exceed customary charges to the general public for such services.

In accordance with the provisions of 42 CFR 447.255, the State Agency submits the following information:

OFFICIAL

Individual rates of reimbursement are determined by applying an inflation factor to each facility's prospective rate on June 30 (exclusive of property costs and return on equity, which are based on actual costs determined in accordance with this plan). For a more detailed description, see the revised Section 401 of the Methods, Standards, and Principles for Reimbursement to Skilled Nursing and Intermediate Care Facilities.

The average SNF/ICF payment rate for the rate year ending June 30, 1987 will be $51.18 an increase of 2.9% percent over the average rate for the immediately preceding rate period.

At the present time, 46 of the 48 facilities licensed as Skilled Nursing or Intermediate Care Facilities are participating in the Title XIX Medical Assistance Program. Since these Methods, Standards and Principles provide for increases each July 1 (based on review of economic indicators), the present extensive participation on a statewide and geographic area basis is expected to continue, and no significant effect on the type of care provided is expected. Plan changes effective July 1, 1986 impacts on only one facility (which indicates that its services will not be affected) are not expected to have any adverse impact on accessability to and availability of services that meet quality and safety standards. Continued application of these Methods, Standards and Principles will assure the continued delivery of high quality care and the continued availability of services on a statewide and geographic basis to Skilled Nursing and Intermediate Care recipients under the Medicaid Program.

September 16, 1986